

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 28, 2014

Certified Return Receipt 7012 3460 0002 9559 5758

Barbara M. Paske American Safety and Casualty Ins. Co 100 Galleria Parkway Southeast, Suite 700 Atlanta, Georgia 30339

Subject: Authorization for Full Release of Reclamation Surety # Sta

Star Stone

Quarries, Inc, Lion Heart Mine, S/003/0033, Box Elder County, Utah

Dear Ms. Paske:

American Safety and Casualty Ins. Co. is holding surety bond # for the benefit of the State of Utah, Division of Oil, Gas and Mining, and the U. S. Department of the Interior, Bureau of Land Management, as a form of reclamation surety for Star Stone Quarries, Inc.'s Lion Heart Mine. All reclamation work has been satisfactorily completed, and this letter authorizes the full release of this surety. The Bureau of Land Management has concurred with this release. Included with this letter is the original surety bond

If you have any questions or concerns, please contact Dana Dean at 801-538-5320, or Paul Baker at 801-538-5261. Thank you for your help in this matter.

Sincerely,

John R. Baza Director

JRB:lk:pb

Enclosure: Original bond &

cc: Lon Thomas, Star Stone Quarries, Inc. Larry Garahana, BLM (lgarahan@blm.gov)

P:\GROUPS\MINERALS\WP\M003-BoxElder\S0030033-Lionheart\final\BREL-5823-01282014.doc





BOND RIDER

To be attached to and form a part of Bond No.

Dated September 17, 2010

Star Stone Quarries, Inc.

, as Principal

and American Safety Casualty Insurance Company, as Surety, in favor of State of Utah, Division of Oil, Gas and Mining as Obligee.

It is understood and agreed that the bond is changed or revised in the particulars as indicated below:

State of Utah, Division of Oil, Gas and Mining and the Bureau of Land Management.

Said Bond shall be subject to all its terms, conditions, and limitations, except as herein expressly modified.

This Bond Rider shall become effective December 20, 2012

IN WITNESS WHEREOF, AMERICAN SAFETY CASUALTY INSURANCE COMPANY has caused its corporate seal to be hereunto affixed this 20th day of December , 20 12.

AMERICAN SAFETY CASUALTY INSURANCE COMPANY

(Seal)

Y: ___

Attorney-in-Fact



POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that American Safety Casualty Insurance Company has made, constituted and appointed, and by these presents does make, constitute and appoints

Jeffrey W. Holmes, Stuart F. DeSelms, Brigette Burgess, Diane Kern, Cathy Heiliger of Tulsa, OK

its true and lawful attorney-in-fact, for it and its name, place, and stead to execute on behalf of the said Company, as surety, bonds, undertaking and contracts of suretyship to be given to

ALL OBLIGEES

provided that no bond or undertaking or contract of surelyship executed under this authority shall exceed in amount the sum of

*** TWO MILLION*** (\$2,000,000.00) DOLLARS***

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company of the 6th day of August, 2009.

RESOLVED, that the President in conjunction with the Secretary or any Assistant Secretary may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the Company, to execute and deliver and affix the seat of the Company to bands, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-infact or agent and revoke any power of attorney previously granted to such persons.

RESOLVED FURTHER, that any bond, undertaking, recognizance, or surelyship obligation shall be valid and binding upon the company when:

(i) when signed by the President or any Vice-President and attested and sealed (if a seal is required) by any Secretary or Assistant Secretary or (ii) when signed by the President or any Vice-President or Secretary or Assistant Secretary, and counter-signed and sealed (if a seal is required) by a duly authorized attorney-in-fact or agent; or (iii) when duly executed and sealed (if a seal is required) by one or more attorney-in-fact or agents pursuant to and within the limits of the authority evidenced by the power of attorney issued by the Company to such person or persons.

RESOLVED FURTHER, that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company; and such signature and seal when so used shall have the same force and effects as though manually affixed.

IN WITNESS WHEREOF, American Safety Casualty Insurance Company has caused its official seal to be hereunto affixed, and these presents to be signed by its President and attested by its Secretary this 5th day of August, 2009

Attest

(Imby High

Ambul Jain

STATE OF GEORGIA

COUNTY OF COBB

SEAU SEAU

Joseph D. Scolo, Jr

On this 6th day of August, 2009, before me personally came Joseph D. Scollo, Jr., to me known, who, being by me duly swom, did depose and say that he is the President of American Safety Casually Insurance Company, the corporation described in and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that is was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.

JAAN BAILEY Notary Public, Hall Co., GA My Commission Expires Aug. 13, 2012

Jami Roiley Notary Public

I, the undersigned, Secretary of American Safety Casualty Insurance Company, an Oklahoma corporation, DO HEREBY CERTIFY, that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore that the Resolution of the Board of Directors, set forth in the said Power of Attorney, is now in force.

Signed and sealed in the City of Atlanta, in the State of Georgia

Dated this 20 day of December 20

2012

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ORIGINALS OF THIS POWER OF ATTORNEY ARE PRINTED WITH RED NUMERICAL NUMBERS
DUPLICATES SHALL HAVE THE SAME FORCE AND EFFECT AS AN ORIGINAL ONLY WHEN ISSUED IN CONJUNCTION WITH THE ORIGINAL



BOND RIDER

To be attached to and form a part of Bond No.

Dated September 17, 2010

Star Stone Quarries, Inc.

, as Principal

and American Safety Casualty Insurance Company, as Surety, in favor

State of Utah, Division of Oil, Gas and Mining

as Obligee.

It is understood and agreed that the bond is changed or revised in the particulars as indicated below:

State of Utah, Division of Oil, Gas and Mining and the Bureau of Land Management. Said Bond shall be subject to all its terms, conditions, and limitations, except as herein expressly modified.

This Bond Rider shall become effective December 20, 2012

IN WITNESS WHEREOF, AMERICAN SAFETY CASUALTY INSURANCE COMPANY has caused its corporate seal to be hereunto affixed this December , 20 12. AMERICAN SAFETY CASUALTY INSURANCE COMPANY

(Seal)

5/14/2013

NUMBER



POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that American Salisty Gasualty Insurance Company has made, constituted and appartised, and by these

Jeffrey W. Hofmes, Stuart F. DeSchus, Brigette Bargess, Dante Kern, Cathy Helliger of Talsu, OK.

ALL OBLIGEES

is true and lawful absency-in-fact, for it and its name, place, and stead to execute on tehnif of the said Conypect, as surely, bonds, undertaking and contacts of surelyship to be given to

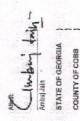
provided that no bond or undertailing or contract of surelyship executed under this eathority shall exceed is amount the sum of *** TWO MILLION*** (\$2,000,000,00) DOLLARS***

This Power of Albumy is granted and is signed and seeled by facethile under and by the authority of the following Resolution adapted by the Board of Oreclass of the Compeny of the 6" day of August, 2008.

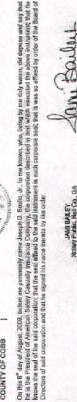
RESOLVED, that the President in conglaction with the Secretary or any Assistant Secretary may appoint altitimate-th-fact or against with authority as address of animation in the structured evidencies the appointment for the Company, to search and editor and affilt the stand is betalt, ameletaristic, recognishing, recognisment, and surface that the Company is betalt, ameletaristic, recognisment and surface of the Company is betalt, ameletaristic, recognisment and surface of the form of the standard and other and and other any secretaristic financy in fact or again and revoke any power of altoney prefuculty granted to such parameter.

RESCLYED FURTHER, that any bond, understating, proprietative, of sinehelite beligation shall be visited and binding upon the company when the when signed by the President of any Vibra-Benderic and advanced and seased (if a seal is required by task Secretary or Associated Secretary or of the signed by the President or any Vibra-President and advanced of Secretary or Associated Secretary and sold of the seal is required by the President or any Vibra-President and advanced Secretary or advanced sold of the seal is required by one of the seal is required by the advanced of the seal is required by one of the seal of the provisor of allocative is sealed by the Company to such persons. RESOLVED FURTHER, that he agreature of any authorized officer and the seal of the Company may be affixed by Incamble to any power of attorney or confinement when at authorizing the execution and develop the bods, unlargeling, accordingly, or operating the execution and develop the bods, unlargeling, accordingly offices, or other surchystic colleges, and all property and authorized seal when the same became all founds in minimally offices.

IN WITNESS WHEREOF American Safety Ceausily froumance Company has caused its official seal to be hereunin affect, and those presents to be algored by its President and attested by its Becrebay the S6-day of Angust, 2009







JAMIERA EANLEY
JAMIERY PURITO, HAI CO., GA
NA Ceremetion Expline Aug. 13, 2012

I, the undersigned Secretary of American Safety Cascardy insurance Company, on Observous companient, DO HEREBY CERTURY) that the foregoing sind staudard beare of Affordacy process in fault increased from the Company secretary is cover in the secondary and tenther of Affordacy, is cover in Secondary in Secondary Sec

Calestinis 20 day of December Inbut fail Signed and sealed in the City of Abanta, in the State of Goorgia

2012

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DIV. OF OIL, GAS & MINING

AMERICAN SAFETY CASUALTY INSURANCE COMPANY

BOND RIDER

To be attached to and form a part of Bond No. Dated 9/17/2009. Star Stone Quarries, Inc., as Principal, and AMERICAN SAFETY CASUALTY INSURANCE COMPANY, as Surety, in favor of Department of Natural Resources (Utah), Division of Oil, Gas and Mining, as Obligee.
It is understood and agreed that the Bond is changed or revised in the particulars as indicated below:
The amount on the above bond has been reduced to \$5,000.00
Said Bond shall be subject to all its terms, conditions, and limitations, except as herein expressly modified.
This Bond Rider shall become effective: Immediately
IN WITNESS WHEREOF, AMERICAN SAFETY CASUALTY INSURANCE COMPANY has caused its corporate seal to be hereunto affixed this 1st day of February, 2012.
(Seal) AMERICAN SAFETY CASUALTY INSURANCE COMPANY

Tara N. Switzer, Attorney-in-Fact

FEB 07 2012

NUMBER



DIV. OF OIL, GAS & MINING

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that American Safety Casualty Insurance Company has made, constituted and appointed, and by these presents does make, constitute and appoints

Tina E. Switzer, Barbara M. Paske, Tara N. Switzer, Tracy L. Kyle, Cynthia A. Harrell of Oklahoma City, OK

its true and lawful attorney-in-fact, for it and its name, place, and stead to execute on behalf of the said Company, as surety, bonds, undertaking and contracts of suretyship to be given to

ALL OBLIGEES

provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of

*** THREE MILLION*** (\$3,000,000.00) DOLLARS***

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company of the 6th day of August, 2009.

RESOLVED, that the President in conjunction with the Secretary or any Assistant Secretary may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the Company, to execute and deliver and affix the seal of the Company to bands, undertakings, recognizances, and suretyship obligations of all kinds, and said officers may remove any such attorney-infact or agent and revoke any power of attorney previously granted to such persons.

RESOLVED FURTHER, that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the company when:
(i) when signed by the President or any Vice-President and attested and sealed (if a seal is required) by any Secretary or Assistant Secretary or (ii) when signed by the President or any Vice-President or Secretary or Assistant Secretary, and counter-signed and sealed (if a seal is required) by a duly authorized attorney-in-fact or agent; or (iii) when duly executed and sealed (if a seal is required) by one or more attorney-in-fact or agents pursuant to and within the limits of the authority evidenced by the power of attorney issued by the Company to such person or persons.

RESOLVED FURTHER, that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company: and such signature and seal when so used shall have the same force and effects as though manually affixed.

IN WITNESS WHEREOF, American Safety Casualty Insurance Company has caused its official seal to be hereunto affixed, and these presents to be signed by its President and attested by its Secretary this 6th day of August, 2009

Altest Cluby tajhAmbuj Jain

STATE OF GEORGIA

COUNTY OF COBB

SEAL)

Joseph D. Scollo, Jr.

On this 6th day of August, 2009, before me personally came Joseph D. Scollo, Jr., to me known, who, being by me duly sworn, did depose and say that he is the President of American Safety Casualty Insurance Company, the corporation described in and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that is was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.

JAMI BAILEY Notary Public, Hall Co., GA My Commission Expires Aug. 13, 2012

Jami Bailey, Notary Public

I, the undersigned, Secretary of American Safety Casualty Insurance Company, an Oklahoma corporation, DO HEREBY CERTIFY, that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore that the Resolution of the Board of Directors, set forth in the said Power of Attorney, is now in force.

Signed and sealed in the City of Atlanta, in the State of Georgia

Dated this __day of ____

Ambui Jain

ORIGINALS OF THIS POWER OF ATTORNEY ARE PRINTED WITH RED NUMERICAL NUMBERS DUPLICATES SHALL HAVE THE SAME FORCE AND EFFECT AS AN ORIGINAL ONLY WHEN ISSUED IN CONJUNCTION WITH THE ORIGINAL

FORM MR-SUR Mny 24, 2006

Bond Number	
Surety NAIC No. 39969	
Permit Number s003033	
Mine Name Lion Heart	

ATTACHMENT A To RECLAMATION CONTRACT BETWEEN PRINCIPAL AND DIVISION

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

THE UTAH MINED LAND RECLAMATION ACT

SURETYBOND

The understand Star S	Stone Quarries, Inc.	, as Principal,
a Corporation	organized under the laws of	of the State of Utah and
American Safety Casualty Insurance	Company as Surety, a	Corporation
organized under the laws of the our heirs, administrators, execu	State of Oklahoma, hereby tors, successors, and assigns, join	jointly and severally bind ourselves, tly and severally, unto the State of
dollars (\$ 27,150.00).		
and conditions of the Reclamati affected by mining operations a	vided to secure the obligations of ion Contract, and any addendums is identified in the Notice of Inter he day of	the Principal, as set forth by the terms thereto, to reclaim lands that will be ation received, or approved if, 20
operations as defined an	ed by this Surety Bond are the Land described in the above Notice, uired, subject to terms and condit	and the Mining and
The condition of this ob	ligation is that if the Division det	termines that Principal has

satisfactorily reclaimed the disturbed lands in accordance with the Mining and Reclamation Plan or Notice and has faithfully performed all requirements of the Mined Land Reclamation Act, and

RECEIVED NOV 0 4 2009 Page 2 MR-SUR Attachment A (revised May 24, 2006)

s003033	
Lion Heart	

complied with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect. Failure of the Principal to fulfill the obligations specified by the Mined Land Reclamation Act and the Rules adopted there under, and in accordance with the specification of the Principal's Mining and Reclamation Plan or Notice, may result in forfeiture of this bond in accordance with the applicable statutes and regulations.

If the Mining and Reclamation Plan or Notice provides for periodic partial reclamation of the lands affected, and if the lands are reclaimed in accordance with such Plan or Notice, Act and regulations, then Principal may apply for a reduction in the amount of this Surety Bond. In the converse, if the Mining and Reclamation Plan or Notice provides for a gradual increase in the lands affected or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety. The amount of reclamation surety may also be adjusted as a result of a periodic review by the Division, which shall take into account inflation/deflation based upon an acceptable Costs Index, or at the request of the operator.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Written notice to the Division and Principal as required by this paragraph shall be provided by certified mail or by a courier service that provides proof of delivery by signature of the recipient. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

Surety is licensed to do business in Utah and is rated by A. M. Best as A- or better or rated as having Financial Performance Rating (FPR) of 8 or better, and is listed in the U. S. Department of Treasury's Circular "570." Upon incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, or upon failure to maintain the A. M. Best or FPR rating and listing on Circular "570", Principal shall be without adequate bond coverage as required by the Division and shall have 120 days after notice to replace the bond with other bonds acceptable to the Division. If the Principal does not replace this surety bond as required, the Division may order cessation of mining operations and commence actions to enforce its rights against the Surety. The Surety's liability shall continue and the Surety will remain fully liable for all reclamation obligations of the Principal incurred until this surety bond is forfeited, or the conditions of this obligation have been satisfied.

Page 3 MR-SUR Attachment A (revised May 24, 2006) Bond Number
Surety NAIC No. 39969
Permit Number s003033
Mine Name Lion Heart

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

Star Stone Quarries, Inc.			
Principal (Permittee)	CORTY.		•
Lon Thomas			
By (Name and Title typed):			
for thoma	10-30-	09.	<u>:</u>
Signature	Date		
•	Section of all, G	es che Mai	nong
Surety Company			
American Safety Casualty Insurance Company	100 Galleria Pkwy., S	E., Suite	700
Surety Company Name	Street Address	(f) ¥	:
Barbara M. Paske	Atlanta, GA 30339		
Surety Company Officer	City, State, Zip		
Attorney-in-Fact	770-916-1908	0.00	·
Title/Position	Phone Number	1	٠.
A Jankan M Taske	9-17-09		<u>:</u>
Signature	Date		



POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that American Safety Casualty Insurance Company has made, constituted and appointed, and by these presents does make, constitute and appoints

Tina E. Switzer, Andrew C. Allison, David A. Alsip, Barbara M. Paske, Tara N. Switzer of Oklahoma City, OK

its true and lawful attorney-in-fact, for it and its name, place, and stead to execute on behalf of the said Company, as surety, bonds, undertaking and contracts of suretyship to be given to

ALL OBLIGEES

provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of

TWO MILLION(\$2,000,000.00) DOLLARS***

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company on the Eighth day of September, 2003.

RESOLVED, that the President in conjunction with the Secretary or any Assistant Secretary may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the Company, to execute and deliver and affix the seal of the Company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any power of attorney previously granted to such persons.

RESOLVED FURTHER, that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company:

(i) when signed by the President or any Vice-President and attested and sealed (if a seal be required) by any Secretary or Assistant Secretary or (ii) when signed by the President or any Vice-President or Secretary or Assistant Secretary, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or (iii) when duly executed and sealed (if a seal be required) by one or more attorney-in-fact or agents pursuant to and within the limits of the authority evidenced by the power of attorney issued by the Company to such person or persons.

RESOLVED FURTHER, that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company; and such signature and seal when so used shall have the same force and affects as though manually affixed.

IN WITNESS WHEREOF, American Safety Casualty Insurance Company has caused its official seal to be hereunto affixed, and these presents to be signed by its President and attested by its Secretary this Eighth day of September, 2003.

Attest:

Randolph L. Hutto, Secretary

STATE OF GEORGIA

COUNTY OF COBB }

SEAL Stephen R. Crim, President

On this Eighth day of September, 2003, before me personally came Stephen R. Crim, to me known, who, being by me duly sworn, did depose and say that he is the President of American Safety Casualty Insurance Company, the corporation described in and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.

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Ruth A. Bankston, Notary Public

I, the undersigned, Secretary of American Safety Casualty Insurance Company, a Oklahoma corporation, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore that the Resolution of the Board of Directors, set forth in the said Power of Attorney, is now in force.

Signed and Sealed at the City of Atlanta, in the State of Georgia.

Dated the 17th day of Sept 2009

Randolph L. Hutto, Secretary